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The Corporation of The City of London
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FOR IMMEDIATE RELEASE

The National Municipal Infrastructure Deficit - London is Not Alone

The cost of repairing or replacing aging municipal infrastructure is skyrocketing across the country, with estimates as high as $123 billion according to a report released today by the Federation of Canadian Municipalities (FCM). Furthermore, the same study estimates that an additional $115 billion is needed just to keep up with the growing needs of Canadian communities.

"The recent watermain break in London is just one sign of a nation-wide problem," said London Mayor Anne Marie DeCicco-Best. "We're committed to our 20-year plans to replace our aging water and sewer pipes and need to commit even more to maintain our roads, but we could do so much more to make up for the deficit with the contribution of additional federal and provincial funding."

The FCM report says that municipalities receive just eight cents out of every tax dollar collected in Canada, with the other 92 cents going to the provincial and federal governments. Municipalities like London lack the resources and fiscal tools they need to meet a long list of responsibilities, including infrastructure. Prime Minister Harper, Premier McGuinty and leading economists have stated their agreement with the principle that cities should have access to a share of revenues that are responsive to economic growth. Cities must rely too heavily on property taxes - a form of taxation that is regressive and does not respond to economic growth.

"We're calling on both the federal and provincial governments to immediately lead a long-term effort to eliminate the municipal infrastructure deficit," said Mayor DeCicco-Best. "With a federal surplus of $26 billion over the next six years, now is the time for all levels of government to work together to help put infrastructure funding on a sound sustainable basis for the future."

Additional information is available in a report for the FCM. (pdf)